



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



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DR. KENNETH M. STONE, CPA  
Internal Audit Executive

September 5, 2012

FILE COPY

Eulonda Nevels, Director  
YWCA of Metropolitan St. Louis  
3820 West Pine Blvd.  
St. Louis, MO 63108

RE: Supportive Housing Program (SHP) (Project #2012-HOM21)

Dear Ms. Nevels:

Enclosed is a report of the fiscal monitoring review of the YWCA Metro St. Louis, a not-for-profit organization, SHP Programs, for the period July 1, 2011 through April 31, 2012. The scope of a fiscal monitoring review is less than an audit, and as such, we do not express an opinion on the financial operations of YWCA. Fieldwork was completed on July 26, 2012.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and through an agreement with the City of St. Louis, Department of Human Services (DHS) to provide fiscal monitoring to all grant sub-recipients.

If you have any questions, please contact the Internal Audit Section at (314) 657-3490.

Respectfully,

Dr. Kenneth M. Stone, CPA, CGMA  
Internal Audit Executive

Enclosure

cc: Antoinette Triplette, Program Manager, DHS  
Paul Mehta, Fiscal Manager, DHS



# CITY OF ST. LOUIS

**DEPARTMENT OF HUMAN SERVICES (DHS)  
SUPPORTIVE HOUSING PROGRAM (SHP)**

**YWCA OF METROPOLITAN ST. LOUIS  
CONTRACT #63115  
CFDA #14.235**

**FISCAL MONITORING REVIEW**

**JULY 1, 2011 THROUGH APRIL 31, 2012**

**PROJECT #2012-HOM21**

**DATE ISSUED: SEPTEMBER 5, 2012**

**Prepared by:  
The Internal Audit Section**



## OFFICE OF THE COMPTROLLER

**HONORABLE DARLENE GREEN, COMPTROLLER**

**CITY OF ST. LOUIS  
DEPARTMENT OF HUMAN SERVICES (DHS)  
SUPPORTIVE HOUSING PROGRAM (SHP)  
YWCA OF METRO ST. LOUIS  
FISCAL MONITORING REVIEW  
JULY 1, 2011 THROUGH APRIL 31, 2012**

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## **INTRODUCTION**

### **Background**

**Contract Name:** YWCA of Metro St. Louis

**Contract Numbers:** 63115

**Contract Periods:** July 1, 2011 through June 30, 2012

**CFDA Numbers:** 14.235

**Contract Amounts:** \$76,597

The contract provides Supportive Housing Program (SHP) funds to YWCA of Metro St. Louis (Agency) to assist single women in their transition into permanent housing by providing supportive housing and employment services.

### **Purpose**

The purpose of the review was to determine the Agency's compliance with federal, state, and local Department of Human Services' (DHS) requirements for the period July 1, 2011 through April 31, 2012 and make recommendations for improvements as considered necessary.

### **Scope and Methodology**

Inquiries were made regarding the Agency's internal controls relating to the grant administered by DHS. Evidence was tested supporting the reports the Agency submitted to DHS and other procedures were performed as considered necessary. Fieldwork was completed on July 26, 2012.

### **Exit Conference**

An exit conference was conducted at the Agency on August 16, 2012. The Agency was represented at the exit conference by the Chief Financial Officer and the Controller. The Internal Audit Section was represented by an Auditor I and Auditor II.

## **SUMMARY OF OBSERVATIONS**

### **Conclusion**

The Agency did not fully comply with federal, state, and local DHS requirements.

### **Status of Prior Observations**

The Agency's previous fiscal monitoring report, Project #2011-HOM29, issued June 30, 2011 noted no observations.

### **A-133 Status**

The Agency expended \$500,000 or more in federal funds for the calendar year ending December 31, 2011, therefore, it was required to have a single audit in accordance with OMB Circular A-133. As of the fieldwork completion date, the report had not been completed.

### **Summary of Current Observations**

Recommendations were made for the following observation, which if implemented, could assist the Agency in fully complying with federal, state, and local DHS requirements.

- Opportunity to improve internal controls over time reporting

## DETAILED OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT'S RESPONSES

### 1. Opportunity To Improve Internal Controls Over Time Reporting

A review of time sheets was performed for the pay periods of September 3, 2011 through September 17, 2011, and November 26, 2011 through December 24, 2011. It was observed that three out of the six employees being reimbursed did not have time sheets. In addition, it was observed that of the three with time sheets none had information on actual hours worked for each grant funded activity.

OMB Circular A-122, section B.8, requires reports that reflect the distribution of activity of each employee and they must be maintained for all staff members whose compensation is charged, in whole or in part, directly to awards. The reports must reflect an after the fact determination of the actual activity of each employee. This includes time sheets reflecting the actual number of hours spent on grant funded activities to determine eligible time spent on grant funded projects.

The Agency did not have adequate controls in place to ensure proper time reporting for grant funded positions.

Not adequately reporting time can cause improper documentation of time spent on grant funded project, and inaccurate request for reimbursements.

#### Recommendations

It is recommended that the Agency prepare time sheets for all grant funded positions. In addition, the time sheets should detail percentages and employees' time allocated among grant and non grant funded activities to ensure adequate reporting and verification of time.

#### Management's Response

*While we did not do this on timesheets, we did provide our reconciliations from the biweekly payroll report per ADP to what is billed to HUD.*

*Even though we believe the compensation expense applied to this grant is adequately supported and reasonable we do agree that the time and effort process should be clearer. Since our exit conference we have had a meeting to discuss the issue with the department heads and to collect relevant information related to specific requirements for each program. The CFO, Controller, the Payroll Administrator, and the Benefits Administrator also me to discuss our needs with the functionally across the various software packages. We then contacted EZLabor, the software in which our timesheets are maintained, via conference call and have also contacted the ADP Implementation Manager in order to take next steps as implementation of this system has become top priority.*